

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1559-02
Bill No.: HCS for HB 799
Subject: Civil Rights; Employees - Employers; Employment Security
Type: Original
Date: March 25, 2009

Bill Summary: Would modify provisions relating to unlawful discriminatory practices in employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2010	FY 2011	FY 2012
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of State Courts Administrator**, the **Office of Administration**, **Administrative Hearing Commission** and **Division of Budget and Planning**, the **Department of Conservation**, **Linn State Technical College**, the **Metropolitan Community Colleges**, the **University of Central Missouri**, **Missouri Southern State University**, **Missouri State University**, **Missouri Western State University**, the **University of Missouri**, **Cass County**, **St. Louis County**, and the **City of Centralia** assume this proposal would have no fiscal impact on their organizations.

Officials from the **City of Kansas City** assume this proposal could have a negative fiscal impact to their organization but such impact is impossible to quantify.

Officials from the **Special School District of St. Louis County** assume this proposal would likely save their organization legal fees and settlement amounts based on past experience.

Officials from the **Office of the Attorney General** assume this proposal would result in unknown costs due to increased appeals from decisions of the Missouri Commission on Human Rights.

Oversight assumes that this proposal would reduce the number of cases filed and that the number of appeals would be reduced accordingly.

Officials from the **Office of Administration**, **Division of Personnel** assumed a previous version of the proposal would have no fiscal impact to their organization.

Officials from **Clinton County** assumed a previous version of this proposal could have a fiscal impact on some counties; due to current limits some counties may not be able to access federal monies.

ASSUMPTION (continued)

Officials from the **Department of Labor and Industrial Relations** (DOLIR) assume this proposal would cap exemplary and punitive damages if a violation of the Missouri Human Rights Act is found.

DOLIR provided an estimate of cost to implement the proposal including two additional staff and totaling \$99,264 per year. DOLIR summarized this cost estimate as unknown but less than \$100,000 for FY 2010, FY 2011, and FY 2012.

Oversight assumes the proposal would increase the burden of proof for a claimant and reduce the number of complaints filed with MCHR, and Oversight will not include any additional costs for MCHR in this fiscal note.

DOLIR stated that if the Missouri Human Rights Act is amended and found not to be substantially equivalent to the federal anti-discrimination laws, MCHR could lose its federal funding from both the HUD and EEOC contract. Those federal funds pay for over 60% of MCHR personnel and over 90% of its equipment and expense budget.

DOLIR included an estimate of lost federal funds of \$1,029,400 for FY 2010, FY 2011, and FY 2012.

Oversight notes that the loss of federal funds would be the result of future action by the relevant federal agencies. For fiscal note purposes only, no loss of federal funding will be indicated.

Oversight assumes the proposal could result in a reduction of costs to defend or settle lawsuits alleging discriminatory employment practices; however, Oversight notes that such an outcome would also depend on the circumstances and facts in each case. Oversight will indicate no direct fiscal impact for the state or local governments in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

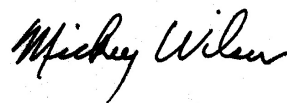
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of State Courts Administrator
Office of Administration
 Administrative Hearing Commission
 Division of Budget and Planning
 Division of Personnel
Department of Conservation
Department of Labor and Industrial Relations
University of Central Missouri
Missouri Southern State University
Missouri Western State University
University of Missouri
Linn State Technical College
Metropolitan Community Colleges
Cass County
Clinton County
St. Louis County
City of Centralia
City of Kansas City
Special School District of St. Louis County



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Director
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